

**Commonwealth of Massachusetts
Department of Telecommunications and Energy
Fitchburg Gas and Electric Light Company
Docket No. D.T.E. 02-24/25
Responses to the Attorney General's Fifth Set of Information Requests**

Request No. AG-5-16 (Gas)

Please provide the accounting treatment of the “funding” of the Unitil Retiree Trust”, showing the journal entries made.

Response:

Unitil Service Corp funds Unitil Retiree Trust on a monthly basis. Each month Unitil Service Corp then charges directly its client companies, one of which is Fitchburg Gas & Electric, for the reimbursement “at cost” of the funding of the Unitil Retiree Trust. Therefore, the Unitil Retiree Trust is funded by each of the operating companies through charges directly billed by Unitil Service Corp.

The journal entries created on Fitchburg Gas & Electric's general ledger at time of funding are a debit to Outside Services – Unitil Retiree Trust (expense) and a credit to Intercompany Payables (Due to Unitil Service Corp. Unitil Service Corp issues payment on behalf of all the client companies and then the client's settle their intercompany debt at the end of the month.)

Please see Attachment AG-5-16 (Gas) which indicates the monthly amounts charged directly by Unitil Service Corp to Fitchburg Gas & Electric for the year 2001. The amount charged directly to Fitchburg Gas & Electric is based on the headcount contributed by the client as a percent of total Unitil Retiree Trust's headcount.

Person Responsible: Mark H. Collin

Unitil Retiree Trust Funding
FG&E Allocation

	Total Funding	FG&E Allocation Percent	FG&E Allocation Amount
January	100,000.00	43%	43,000.00
February	60,000.00	42%	25,200.00
March	65,000.00	43%	27,950.00
April	100,000.00	39%	39,000.00
May	60,000.00	39%	23,400.00
June	65,000.00	39%	25,350.00
July	100,000.00	39%	39,000.00
August	130,000.00	39%	50,700.00
September	-	39%	-
October	163,854.51	39%	63,903.26
November	65,000.00	39%	25,350.00
December	125,000.00	39%	48,750.00
	<u>\$ 1,033,854.51</u>		<u>\$ 411,603.26</u>